

**I.**

**NORTH DAKOTA**

**HOME PROGRAM**

# APPLICATION FOR FEDERAL ASSISTANCE

Version 7/03

<b>1. TYPE OF SUBMISSION:</b> Application		<b>2. DATE SUBMITTED</b>	Applicant Identifier	
<input type="checkbox"/> Construction	Pre-application	<b>3. DATE RECEIVED BY STATE</b>	State Application Identifier	
<input type="checkbox"/> Non-Construction	<input type="checkbox"/> Construction	<b>4. DATE RECEIVED BY FEDERAL AGENCY</b>	Federal Identifier	
<input type="checkbox"/> Non-Construction	<input type="checkbox"/> Non-Construction			
<b>5. APPLICANT INFORMATION</b>				
Legal Name:		<b>Organizational Unit:</b>		
		Department:		
Organizational DUNS:		Division:		
<b>Address:</b>		<b>Name and telephone number of person to be contacted on matters involving this application (give area code)</b>		
Street:		Prefix:	First Name:	
City:		Middle Name		
County:		Last Name		
State:	Zip Code	Suffix:		
Country:		Email:		
<b>6. EMPLOYER IDENTIFICATION NUMBER (EIN):</b> □□-□□□□□□□□		Phone Number (give area code)		Fax Number (give area code)
<b>8. TYPE OF APPLICATION:</b> <input type="checkbox"/> New <input type="checkbox"/> Continuation <input type="checkbox"/> Revision If Revision, enter appropriate letter(s) in box(es) (See back of form for description of letters.) <input type="checkbox"/> <input type="checkbox"/> Other (specify)		<b>7. TYPE OF APPLICANT:</b> (See back of form for Application Types)  Other (specify)		
<b>10. CATALOG OF FEDERAL DOMESTIC ASSISTANCE NUMBER:</b>  □□-□□□□ TITLE (Name of Program):		<b>9. NAME OF FEDERAL AGENCY:</b>		
<b>12. AREAS AFFECTED BY PROJECT</b> (Cities, Counties, States, etc.):		<b>11. DESCRIPTIVE TITLE OF APPLICANT'S PROJECT:</b>		
<b>13. PROPOSED PROJECT</b>		<b>14. CONGRESSIONAL DISTRICTS OF:</b>		
Start Date:	Ending Date:	a. Applicant		b. Project
<b>15. ESTIMATED FUNDING:</b>		<b>16. IS APPLICATION SUBJECT TO REVIEW BY STATE EXECUTIVE ORDER 12372 PROCESS?</b>		
a. Federal	\$ . <sup>00</sup>	a. Yes. <input type="checkbox"/> THIS PREAPPLICATION/APPLICATION WAS MADE AVAILABLE TO THE STATE EXECUTIVE ORDER 12372 PROCESS FOR REVIEW ON		
b. Applicant	\$ . <sup>00</sup>	DATE:		
c. State	\$ . <sup>00</sup>	b. No. <input type="checkbox"/> PROGRAM IS NOT COVERED BY E. O. 12372		
d. Local	\$ . <sup>00</sup>	<input type="checkbox"/> OR PROGRAM HAS NOT BEEN SELECTED BY STATE FOR REVIEW		
e. Other	\$ . <sup>00</sup>	<b>17. IS THE APPLICANT DELINQUENT ON ANY FEDERAL DEBT?</b>		
f. Program Income	\$ . <sup>00</sup>	<input type="checkbox"/> Yes If "Yes" attach an explanation. <input type="checkbox"/> No		
g. TOTAL	\$ . <sup>00</sup>			
<b>18. TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL DATA IN THIS APPLICATION/PREAPPLICATION ARE TRUE AND CORRECT. THE DOCUMENT HAS BEEN DULY AUTHORIZED BY THE GOVERNING BODY OF THE APPLICANT AND THE APPLICANT WILL COMPLY WITH THE ATTACHED ASSURANCES IF THE ASSISTANCE IS AWARDED.</b>				
<b>a. Authorized Representative</b>				
Prefix	First Name	Middle Name		
Last Name		Suffix		
b. Title		c. Telephone Number (give area code)		
d. Signature of Authorized Representative		e. Date Signed		

## **2004 HOME PROGRAM DESCRIPTION**

The Department of Housing and Urban Development (HUD) has designated the State of North Dakota as a participating jurisdiction (PJ) and as such it may apply for and distribute HOME funds. The agency responsible for administration of the North Dakota HOME Program is the Department of Commerce, Division of Community Services (DCS).

This is a description of how the State plans to distribute FY2004 HOME funds and administer its program. The plan demonstrates consistency with the goals identified in the State's Consolidated Plan (CP) and the Governors Housing Task Force Report. Accordingly, the State can use its HOME funds for the following activities to help meet the identified housing needs:

- Rehabilitation of Owner-occupied and Rental Property
- Homebuyer Assistance
- Refinancing of Homeowner-occupied Housing Only
- Tenant Based Rental Assistance (to include security and utility deposits)
- Acquisition, Site Improvements, or Demolition Linked to a Project
- New Construction
- Administrative Costs
- Operating Expenses for Multi-Regional Community Housing Development Organizations (CHDOs)

### **DISTRIBUTION PLAN**

The State will administer its program through agreements with CHDOs, State Recipients (Bismarck and Grand Forks), and Sub recipients. The HOME Program will be allocated on non-competitive set-asides based on priority needs as established by the recipient. Set-asides will be awarded based on regional, multi-regional or statewide plans.

Relocation is the only allowed activity in a designated flood plain under the States multi-year environmental review. Local governments may complete their own Environmental Reviews and make their own flood plain determinations on a case-by-case basis.

All recipients are expected to locally meet the HOME Program match requirement of 25 percent unless specifically waived by the DCS. Existing general waivers include a state policy that homeowner rehabilitation and TBRA activities will be match free.

Only the forms of HOME assistance listed in Part 92.205(b) will be allowed. Applicants may use private funds, tax credits, Rural Development, Federal Home Loan Bank, CDBG, Department of Energy, or other grant/loan programs to help leverage HOME activities. The State may reallocate funds from one category to another because of unexpected demand, an emergency due to a natural disaster or a determination that performance based measures has not been met.

The North Dakota HOME Program will include the following components:

## **1. Community Housing Development Organizations (CHDOs)**

HOME funds will be reserved for two Multi-Regional Community Housing Development Organizations (CHDOs). A Multi-Regional CHDO is a nonprofit agency that meets the CHDO requirements as defined in HOME program regulations. The Western Multi-Regional CHDO will cover planning regions I, II, VII and VIII. The Eastern Multi-Regional CHDO will cover planning regions III, IV, V and VI. Each Multi-Regional CHDO board must consist of representation from all four regions in its jurisdiction.

CHDOs existing prior to January 1, 1998, were offered the opportunity to participate on the Multi-Regional CHDO board. Existing CHDOs with open projects must be recertified. Other existing CHDOs may be recertified by the DCS. No new CHDOs will be allowed to submit a request for certification.

To access the Multi-Regional CHDO set-aside, interested parties would contact and partner with either the Affordable Housing Developers Inc in planning regions I, II, VII and VIII or the Eastern Dakota Housing Alliance in planning regions III, IV, V and VI. These two entities will have equal access to each fiscal year's CHDO allocation and will be eligible for the operating set-aside.

Up to ten percent of each Multi-Regional CHDO set-aside may be used for pre-development loans to assist specific projects. Predevelopment loan repayments must be sent to the DCS. The repaid funds will be added to the next FY allocation. Each Multi-Regional CHDO must have a scoring criteria developed that is consistent with the Governor's Housing Task Force Report.

The application process will be a two stage process.

- a. Submission of a Multi-Regional CHDO Plan(s) by **December 1, 2003**. (*See Attachment 1*). This will become the CHDO performance goals for the FY 2004 HOME Program Distribution.
- b. Submission of the final CHDO Application(s) by **December 1, 2004**.

Please note that no construction activities may begin until this process is fully completed, and the DCS has issued the Notification of Release of Funds. Also, all CHDO projects **must** include at least 10% (of the HOME funds requested) as owner equity in the project unless specifically waived by DCS. ***Owner equity can not be eligible HOME match listed under 92.220, match used for other programs, other federal funds or tax credits.*** This owner equity is above the required match to the program.

## **2. State Recipient Set-Aside**

HOME allocations have been set-aside for the two communities (Bismarck and Grand Forks) that are entitlement cities, but not PJ's. This program component is non-competitive, and each city will be eligible to apply for a predetermined amount of funding based on

population, number or percentage of low income households, and housing needs. Although these cities will be able to design their projects to meet local needs, all activities must be within the parameters of the State HOME Program. **Each city must submit a plan (see attachment 1) by December 1, 2003.** This plan will reserve their set-aside funds and become their performance goals for 2004. The city must submit the final project application(s) for review a certification of CP compliance and the IDIS set-up before HOME funds will be committed. Please note that no construction activities may begin until this process is fully completed, and DCS has issued the Notification of Release of Funds.

### 3. Sub recipient Set-Aside

HOME funds will be set-aside for the Housing Finance Agency, two Housing Authorities and the seven Community Action Agencies to complete activities in their jurisdiction that are consistent with the State's Consolidated Plan and are a priority for their area.

**All annual plans must be submitted to the DCS no later than December 1. (See Attachment 1)**

#### **Housing Finance Agency Set-Aside**

HOME funds may be used for homeowner assistance. Assistance can be in the form of down payment assistance, closing costs, interest subsidies or refinancing with rehabilitation. The HOME investment that is subject to recapture is the HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance, whether a direct subsidy to the homebuyer or construction or development subsidy, that reduced the purchase price from fair market value to an affordable price. The resale options described below apply to all home ownership cases. This program will be administered as a statewide program through an agreement with the North Dakota Housing Finance Agency.

Neither the initial purchase price, nor the appraised value at acquisition (including any required repairs needed to meet property standards) of the housing, shall exceed 95 percent of the median purchase price for a single family residence, FHA 203b mortgage limits (single family residence, condominium unit, cooperative unit, or combination manufactured home and lot). The housing must be the principal residence of an owner whose family qualifies as a low-income household at the time of purchase. Also, the housing unit must be purchased within 36 months if a lease-purchase agreement was used in conjunction with a homebuyer program to acquire the housing. Finally, all applicable regulatory provisions under 24 CFR Part 92.254 will be followed if not specifically mentioned in this description. The minimum recapture provisions or resale restrictions described below are applicable for a period determined by the amount of HOME assistance per unit:

HOME Assistance Per Unit	Period of Affordability
Less than \$15,000	5 yrs.
\$15,000 - \$40,000	10 yrs.
More than \$40,000	15 yrs.

The resale or recapture limits must be assured so that the unit remains affordable through deed restrictions, covenants attached to the land, mortgages, or other similar mechanisms. The deed restrictions will terminate upon occurrence of any of the following: foreclosure, transfer in lieu of foreclosure or assignment of an FHA insured mortgage to HUD. The restrictions shall be revived according to the original terms, if during the original affordability period, the owner of record before the termination event, or any entity that includes the former owner or those with whom the former owner has or had family or business ties, obtains an ownership interest in the project or property. Recipients will be encouraged to use purchase options or first refusal provisions to enforce resale provisions and to purchase the property before foreclosure to preserve affordability.

Below are the Resale and Recapture Provisions. Each recipient must document which provisions they will enforce in their application for Home ownership Assistance.

### **Option 1 - Resale Provision**

This option must follow the provisions of 24 CFR 92.254 (a) (5) (i) which requires the present owner to make the housing available for subsequent purchase only to a low income family. Affordability for the subsequent LMI purchaser means that the payment of principal, interest, taxes, and insurance (PITI) will not exceed 30 percent of gross income adjusted by family size. This subsequent purchaser must use the property as their principle residence. The sale must provide the owner with a fair return on investment, including any improvements. All time remaining in the period of affordability must transfer to subsequent purchasers. Any violation of this resale provision would require the initial HOME investment to be repaid.

### **Option 2 - Recapture Provision**

This option must follow the provisions in 24 CFR 92.254 (a) (5) (ii) which allows for recapturing the entire amount of HOME investment, or HOME investment amount can be prorated based on the time the homeowner has owned and occupied the unit measured against the required affordability period (e.g., 5 year residence/15 year affordability = 1/3 reduction).

The HOME investment that is subject to recapture is based on the amount of HOME assistance that enabled the homebuyer to buy the dwelling unit. This includes any HOME assistance that reduced the purchase price from fair market value to an affordable price, but excludes the amount between the cost of producing the unit and the market value of the property. If the net proceeds (sales price minus loan repayment, other than HOME funds, and closing costs) are not sufficient to recapture the HOME investment and enable the homeowner to recover his homeowner investment (the amount of their down payment and any documented capital improvement investments), the HOME recapture amount can be set as follows:

$$\frac{\text{HOME Investment}}{\text{HOME Investment} + \text{Homeowner Investment}} \times \text{Net Proceeds} = \text{HOME Recapture Amount}$$

Any recaptured funds must be used to carry out eligible HOME activities. If HOME assistance is only used for the development subsidy and therefore not subject to recapture, the resale option must be used.

### **Housing Authorities**

The Stutsman County Housing Authority and Cass County Housing Authority will receive a set-aside to complete a **security or utility deposit** program, an activity categorized under tenant based rental assistance. (All other areas are being assisted by the Community Action Agencies.) These HOME dollars will be used in emergency situations to prevent homelessness or to assist persons in transitional housing to secure permanent rental housing. Funds may also be used to assist low income families in securing a more affordable rental unit. Funds will be used only for security or utility deposits, and no other type of rental assistance is proposed.

Recipients must develop written guidelines that meet program requirements and comply with 24 CFR part 92.209, to include the following:

- The security or utility deposit may not exceed the equivalent of one month's rent for the housing unit,
- Tenant selections must comply with 92.209 (c),
- Only the prospective tenant may apply for HOME security deposit assistance, although the funds must be paid directly to the landlord,
- Rental units must be inspected for Housing Quality Standards compliance.
- The lease must comply with the requirements of section 92.253 (a), (b), (c), and
- The assistance may be in the form of a grant or as a loan. **If the assistance is to be provided as a loan, the agency's loan program must be pre-approved by the state.**

### **Community Action Agency Set-Aside**

Eligible activities can include all necessary **rehabilitation** required to bring an existing owner-occupied home up to Section 8 Housing Quality Standards, **Tenant Based Rental Assistance** including security and utility deposits and eligible **CHDO activities**. When **rehabilitation** is selected as a regional priority, neither the estimated value of the house prior to rehabilitation or the after-rehab value of the housing shall exceed 95 percent of the median purchase price for a single family residence (single family residence, condominium unit, cooperative unit, or combination manufactured home and lot). Each homeowner will be required to sign a Housing Rehabilitation Program Homeowner Agreement that stipulates a minimum of a five (5) year period of affordability. The terms of the agreement for repayment can be as follows:

<b>Term</b>	<b>Repayment Amount</b>
First Year	100%
Up to end of second year	80%
Up to end of third year	60%
Up to end of forth year	40%
Up to end of fifth year	20%
After 5 years	0%

When housing rehabilitation is selected, each CAA must develop Homeowner Rehabilitation Guidelines (HRG). This HRG must contain:

- a. The criteria used to determine applicant eligibility in terms of income, assets, ownership, occupancy, and location. Include any priorities which are used to select households for assistance (e.g. households with income less than 50 percent of median). And how information income information will be verified.
- b. The types of property or properties eligible for assistance i.e. single family unit, condominium unit, mobile home/manufactured home (permanent foundation on private lot), and cooperative unit.
- c. Describe any type of homeowner contribution required (cash, labor, or materials).
- d. How will you inspect for Housing Quality Section 8 Requirements (24 CFR 882.109) and assure that all work completed meets the North Dakota State Building Code (or a locally amended North Dakota State Building Code). How will your agency assure that newly constructed housing meets the current edition of the Model Energy Code, 1991 Uniform Building Code and Uniform Mechanical Code?
- e. Define how you meet lead-based paint regulations.
- f. Describe the minimum and maximum amount of assistance allowed and the terms of the assistance. Indicate what will happen if a house cannot be brought up to housing quality standards with the maximum investment.
- g. Describe how you will assure that no more than the necessary amounts of HOME program funds are invested in any one project. (Layering)
- h. Define the role and responsibilities for staff, owner, and contractor. Describe the grievance procedure for applicants and for disputes between an owner and a contractor.
- i. Describe your conflict of interest policy.
- j. Describe the homeowner counseling services that are available to each client.



When **Tenant Based Rental Assistance** is determined as a priority in the region, the HOME funds must be earmarked for security or utility deposits or for an approved TBRA program. These HOME dollars can be used in emergency situations to prevent homelessness, to provide assistance to persons in transitional housing to secure permanent rental housing, and to assist low income families in securing a more affordable rental unit. The TBRA program funds must be used in accordance to 92.209 and be tied to an existing self-sufficiency program.

Recipients of security and utility deposit funds must develop written guidelines that meet program requirements and to include the following:

- The security or utility deposit may not exceed the equivalent of one month's rent for the housing unit,
- Tenant selections must comply with 92.209 (c),
- Only the prospective tenant may apply for HOME security deposit assistance, although the funds must be paid directly to the landlord,
- Rental units must be inspected for Housing Quality Standards compliance.
- The lease must comply with the requirements of section 92.253 (a), (b), (c), and
- The assistance may be in the form of a grant or as a loan. If the assistance is to be provided as a loan, the agency's loan program must be pre-approved by the state.

All new **CHDO activities** will originate from the Multi-Regional CHDO. Sub recipients must deobligate funds for a CHDO activity and develop a partnership with the Multi-Regional CHDO. The deobligated funds must be part of the Multi-Regional plan that is submitted to the DCS. If the CAA is to subcontract any of the administration from the Multi-Regional CHDO, all the requirements of 24 CFR 92.504 must be followed.

This program will be administered on a regional basis through agreements with Community Actions Agencies (CAA). To encourage good planning and cooperative efforts, each Community Action Agency is encouraged to contact their respective Regional Council to notify them of the assistance they may provide through the programs they administer.

#### **4. Administration**

The State as the Participating Jurisdiction, state recipients, and sub recipient will be allowed to receive HOME monies for administrative expenses. These costs may not exceed ten percent of the entire HOME allocation for North Dakota.

## 5. Performance Based Set-Asides

### State and Sub recipient Set-Asides

The amounts listed in the Summary of Funding will not be awarded unless an acceptable level of disbursement of funds previously awarded has been attained (***disbursement means funds are drawn from the U.S. Treasury***). The State will review past performance to determine the level of funding. If an agency cannot meet their performance measures by December 1 of each fiscal year, they must submit a letter of justification prior to that date. This letter must explain why they believe they cannot meet their performance measure and justify their requested set-aside. Each case will be reviewed separately and the decision of the Director of the DCS will be final. Any available performance funds may be reallocated to interested agencies that have met the following criteria or allocated to a specific project that the State Director of DCS deems appropriate:

Agencies that can demonstrate unmet needs (10 pts).

Agencies that have a waiting list of applicants (10 pts).

Agencies that have met their performance criteria (20 pts).

Agencies that have committed 100% of their funds on the IDIS system. (40 pts)

Agency past performance (subjective, 0 to 20 pts)

### CHDO Performance Based Set-Asides

All CHDO funds must be dedicated by December 31 of the fiscal year in which funds were received. (***Dedicated funds are funds awarded to a specific project***) If any funds remain, the CHDO must justify why the funds are undedicated. Any available CHDO funds may be reallocated to interested agencies that meet the following criteria:

Agencies that can demonstrate unmet needs (10 pts).

Agencies that have a waiting list of applicants (10 pts).

Agencies that have met their performance criteria (20 pts).

Agencies that have committed 100% of their funds on the IDIS system. (40 pts)

Agency past performance (subjective, 0 to 20 pts)

DCS will notify agencies of the availability of these funds, and will accept letters of application that address the above criteria.

## **6. American Dream Downpayment Initiative (ADDI)**

### **Program Description:**

In an effort to increase the overall homeownership rate, HUD has proposed the American Dream Downpayment Initiative (ADDI). Amounts made available under this program may be used only for downpayment assistance toward the purchase of single family housing by eligible families. The ADDI funds will be administered as a part of the HOME Investment Partnerships Program (HOME). Recipients of these grant funds are required to be first-time home buyers and must have an annual income that does not exceed 80% of the area median income. The amount of assistance provided to any eligible family cannot exceed 6 percent of the purchase price of a single family housing unit, or \$10,000, whichever is greater. In addition to assisting with downpayment and closing costs, HUD may allow a maximum of 20% of the FY 2004 funds to be used by first-time homebuyers for home repairs.

### **Application Process:**

Entities eligible for the ADDI funding include the cities of Grand Forks and Bismarck, the North Dakota Housing Finance Agency, and the two Regional Community Housing Development Organizations (CHDOs); Eastern Dakota Housing Alliance, and Affordable Housing Developers, Inc.

**For a recipient to receive a grant under this program for fiscal year 2003 or 2004, they must submit a plan (see attachment 1) to the Division of Community Services (DCS) no later than June 30, 2004.** The application must include the following:

- description of their eligible service area and the number of units they will complete;
- a description of the use of the grant amounts;
- a plan for conducting targeted outreach to residents and tenants of public housing, trailer parks, and manufactured housing, and to other families assisted by public housing agencies, for the purpose of ensuring that grant amounts provided under this section to an eligible recipient are used for downpayment assistance for such residents, tenants, and families; and
- a description of the actions to be taken to ensure the suitability of families provided downpayment assistance under this section to undertake and maintain homeownership.

For purposes of the application, eligible entities may use the “Homeowner and Homebuyer Assistance” application found in Section 6 of the North Dakota HOME Program Annual Plan.

Estimated Summary of Funding:

2003 ADDI Funds	\$189,703
2004 ADDI Funds	168,030

**Administrative Funds:**

A total of \$18,970 is available for administration. There are no administrative funds available from the 2004 ADDI funds. Of these funds, up to \$15,000 will be available for project delivery based on complexity of the program. The remaining will be available for State administration of the program. Regular HOME administrative funds may be used to assist in the administration of the ADDI funds.

SUMMARY OF FUNDING									
2004 HUD Award	3,062,000.00								
State Program Income	41,817.35								
Total 2004 Allocation	3,103,817.35								
Total Available for North Dakota PJ	3,103,817.35								
Total Available for Project Set-Aside	2,677,617.35								
Total Available for Administration Set-Aside	306,200.00								
Total Available for Operating Set-Aside	120,000.00								
						Performance Goals - HOME Assisted Units			
Recipient	Project	Administration	Operating	TBRA	Rental Development	Homebuyer Assistance	Homeowner Rehabilitation		
Bismarck	375,000.00	18,750.00		40	80	10	0		
Grand Forks	375,000.00	18,750.00		0	0	45	0		
Community Action Opp., Inc. (Reg. II)	128,000.00	10,000.00		25	0	0	8		
Dakota Prairie CAA (Reg. III)	128,000.00	10,000.00		20	0	0	6		
Red River Valley Community Action (Reg. IV)	128,000.00	10,000.00		120	0	0	6		
Southeastern North Dakota CAA (Reg. V)	128,000.00	10,000.00		0	0	0	6		
Community Action Program Reg. VI	128,000.00	10,000.00		0	0	0	5		
Community Action Program Reg. VII	128,000.00	10,000.00		30	0	0	4		
Community Action & Development (Reg. I & VIII)	256,000.00	20,000.00		50	0	0	12		
Stutsman County Housing Authority	29,000.00	2,900.00		155	0	0	0		
Cass County Housing Authority	29,000.00	2,900.00		165	0	0	0		
CHDO Set Aside	570,000.00		120,000.00	0	40	8	0		
North Dakota Housing Finance Agency	275,617.35	15,000.00		0	0	130	0		
State Administration		167,900.00							
<b>TOTAL</b>	<b>\$2,677,617.35</b>	<b>\$ 306,200.00</b>	<b>\$ 120,000.00</b>	<b>605</b>	<b>120</b>	<b>193</b>	<b>47</b>		

## **MINORITY AND WOMAN BUSINESS OUTREACH PROGRAM**

Executive Orders 11625, 12432, and 12138 require the encouragement and use of minority and women-owned businesses in conjunction with the HOME Program. To encourage the use of minority and women-owned businesses in bids for the various programs under the North Dakota HOME Program, the DCS (DCS) will include the latest list of certified minority and women-owned businesses with each application package.

In addition, the DCS will include a statement that minority and women-owned business enterprises are welcome to apply for funds and are encouraged to participate as suppliers, contractors, lenders, etc. to provide services to projects assisted with HOME funds in all notices and advertisements related to the HOME Program.

A list of certified minority and women-owned business enterprises will be added to our mailing lists to ensure that they are notified of the training sessions related to HOME program that will be held.

To maintain statistical data on the use and participation of minority and women-owned business enterprises as contractors or subcontractors in HOME-assisted program contracting activities, owners will be required to identify jobs that have been bid by minority or women-owned businesses. In addition, the applicant may inspect the site to confirm the percentage of minority and women laborers working at the site.

### **AFFIRMATIVE MARKETING PROCEDURES**

The DCS will take the following actions to provide information to attract eligible persons from all racial, ethnic, and gender groups in the housing market area that is assisted by HOME funding.

All correspondence, notices and advertisements related to the HOME Program, will contain the Equal Housing Opportunity logo or slogan.

Participants in the HOME Program will be required to use affirmative fair housing marketing practices in soliciting renters or buyers, determining their eligibility, and concluding all transactions. Any HOME-assisted housing must comply with the following procedures for the required compliance period, depending on the program used:

1. Owners advertising vacant units must include the equal housing opportunity logo or statement. Advertising media may include newspapers, radio, televisions, brochures, leaflets, or a sign in a window. In addition, owners will be required to have written communication to Fair Housing organizations.
2. The owner will be required to solicit applications for vacant units from persons in the housing market who are least likely to apply for the HOME-assisted housing without the benefit of special outreach efforts. In general, persons who are not of the race or ethnicity of the residents of the neighborhood in which the rehabilitated building is

located, shall be considered those least likely to apply. Special outreach efforts will include contacts with community action agencies, human service centers and county social service offices.

3. The owner must maintain a file containing all marketing efforts (e.g., copies of newspaper ads, memos of phone calls, copies of letters, etc.) and the records to assess the results of these actions are to be available for inspection by the DCS.
4. The owner shall maintain a listing of all tenants residing in each unit from the time of application through the end of the compliance period.

The DCS will assess the affirmative marketing efforts of the owner by comparing predetermined occupancy goals (based upon the area from which potential tenants will come) to actual occupancy data that the owner is required to maintain. The owner's outreach efforts will also be evaluated by reviewing marketing efforts. The DCS will assess these efforts by use of a compliance certification or a personal monitoring visit to the project at least annually.

Where an owner fails to follow the affirmative marketing requirements, corrective actions shall include extensive outreach efforts to appropriate contacts to achieve the occupancy goals or other sanctions that the DCS may deem necessary. In addition, owners will be counseled as to affirmative marketing requests. In the event they continue to be in non-compliance, they may not be allowed to receive future HOME funds.

All units of local government that receive HOME funds must submit affirmative marketing procedures they've adopted to the DCS.

## SECTION I

Attachment 1

**ANNUAL PLAN**  
**ND DIVISION OF COMMUNITY SERVICES**  
SFN 52808 (3/01)

# HOME

## Investment Partnership Program

## Grant Recipient's Annual Plan

## For the State of North Dakota

### **Homeowners/Homebuyers**

- Acquisition
- Down payment Assistance
- New Construction
- Rehabilitation

### **Rental Units**

- Security Deposits
- New Construction
- Acquisition
- Rehabilitation

North Dakota Division of Community Services  
1600 East Century Ave, Suite 2  
PO Box 2057  
Bismarck, North Dakota, 58502-2057  
(701) 328-5300 Phone  
(701) 328-5320 Fax  
Revised October 2003



## **A. Allowable Activities**

The Division of Community Services supports the concept of locally developed plans for addressing the needs of low income people, resulting in considerable discretion in developing and implementing the HOME program. As long as the agency can clearly demonstrate the below four criteria, the plan will be awarded.

The four criteria are:

1. Demonstrate a need for the activity;
2. Activity(s) are clearly eligible under 24 CFR Sec. 92.205;
3. Costs are eligible under 24 CFR Sec. 92.206;
4. The activities are listed as a priority in the States or Entitlement's Consolidated Plan.

## **B. Eligibility**

Client eligibility for the HOME program must comply with 24 CFR Sec. 92.216 for rental units and Sec 92.217 for homeowner projects. Appropriate income levels for the HOME Program can be found in the HOME Administrative/Program Manual with updates available when published by HUD. You should verify that you have the most recent income levels prior to starting any new project. Eligible activities by agency are listed in the HOME Program Description.

## **C. Distribution of Funds**

Funds are available based on that Fiscal Years HOME Program Description and the Performance Based Measures.

## **D. Annual Plan Process**

Each sub-recipient must complete the following annual plan by deadline found in the HOME Program Description. **Complete only the section appropriate to your project(s):**

**Section 1: Cover Page** *(Each Agency Must Complete)*

**Section 2: Homeowner and Homebuyer Assistance**

**Section 3: Security Deposits**

**Section 4: Rental Production**

**Section 5: Transfer of Funds to another Agency**

**Section 6: American Dream Downpayment Initiative (ADDI)**

**Section 7: Budget Page** *(Not required when a CHDO, the City of Bismarck or the City of Grand Forks will be submitting a full application for assistance, i.e. Section 4)*

An agency can transfer funds to another agency if it can demonstrate a higher need than needed in their specific set-aside. The attached plan must indicate the amount to be transferred to the agency with a brief description of the project and tentative timetable for the project. A Rental Project will have until December 31 of the FY in which this plan is developed to complete the full Rental Application.

NORTH DAKOTA HOME PROGRAM ANNUAL PLAN					
Applicant		Address			
Region					
Person Completing Form		Phone Number		Date	
<p>Applicant Certifies That:</p> <p>To the best of my knowledge and belief, data in this application is true and correct, and the document has been duly authorized by the governing body of the applicant.</p>					
Signature of Authorized Official		Title		Date	
Brief Description of Project:					
<b>Application Summary</b>					
Estimated Number of Units to be Completed	Homeowner Rehabilitation	Homebuyer Program	Security Deposits	Rental Production	Agency Transfer
HOME Program Income(Estimated)					
HOME Project Funds Requested					
HOME Soft Costs Requested					
HOME Administrative Funds Requested					
HOME Operating Funds Requested					
Total HOME Funds Requested					
Other Project Funds Requested (Include other estimated local, federal or private funds)					
Total Projected Costs					

**SECTION 2**  
**HOMEOWNER AND HOME BUYER ASSISTANCE**

1. Briefly describe the overall project and the need for the project.
  
  
  
  
  
  
  
  
  
  
2. Describe a project work plan and timetable.
  
  
  
  
  
  
  
  
  
  
3. If any match will be generated, describe it, and how it will be documented.
  
  
  
  
  
  
  
  
  
  
4. Describe if any program income will be generated and how it will be used.
  
  
  
  
  
  
  
  
  
  
5. Additional Information that you think will be useful.
  
  
  
  
  
  
  
  
  
  
6. Attach a letter of consistency with your consolidated plan (**Bismarck & Grand Forks Only**)

### **SECTION 3**

#### **SECURITY DEPOSITS**

1. Briefly describe the overall project and the need for the project.
  
  
  
  
  
  
  
  
  
  
2. Describe a project work plan and timetable.
  
  
  
  
  
  
  
  
  
  
3. If any match will be generated, describe it, and how it will be documented.
  
  
  
  
  
  
  
  
  
  
4. Describe the form of HOME assistance (loan/grant) you will be providing. If the assistance is in the form of a loan, describe your procedure for tracking and using Program Income funds.
  
  
  
  
  
  
  
  
  
  
5. Additional Information that you think will be useful.
  
  
  
  
  
  
  
  
  
  
6. Attach a letter of consistency with your consolidated plan **(Bismarck & Grand Forks Only)**

## SECTION 4

### RENTAL PRODUCTION

1. Briefly describe the overall project and the need for the project.
2. Describe a project work plan and timetable.
3. If any match will be generated, describe it, and how it will be documented.
4. Describe the form of HOME assistance (loan/grant) you will be providing. If the assistance is in the form of a loan, describe your procedure for tracking and using Program Income funds.
5. Additional Information that you think will be useful.

**A FULL RENTAL APPLICATION MUST BE COMPLETED AND REVIEWED BY DCS PRIOR TO ANY FUNDING COMMITMENT**

## SECTION 5

### TRANSFER OF FUNDS TO CHDO ACTIVITY

The sub-recipient must complete the below questions. The CHDO then must submit the final CHDO applications to the Division of Community Services by December 31 of this Fiscal Year.

1. Describe the project in as much detail as possible, including the results you expect to achieve and the amount of funds you wish to transfer to the CHDO.
2. Attach a project work plan and timetable.
3. Explain why this project is a priority in your region over other needs such as housing rehabilitation and security deposits.

**SECTION 6**  
**AMERICAN DREAM DOWNPAYMENT INITIATIVE (ADDI)**

1. Provide a description of the use of and need for the grant fund. Indicating that recipients of these grant funds will be first-time home buyers, will have an annual income that does not exceed 80% of the area median income, and the amount of the assistance provided to any eligible family will not exceed 6 percent of the purchase price of a single family housing unit, or \$10,000, which ever is greater.
  
2. Describe any plans, including dollar amount, you have for providing funds for home repairs in conjunction with the downpayment assistance.
  
3. Provide a description of your eligible service area and the number of units you expect to complete.
  
4. Describe how you will conduct targeted outreach to residents and tenants of public housing, trailer parks, and manufactured housing, and to other families assisted by public housing agencies, for the purpose of ensuring that grant amounts provided under this section to an eligible recipient are used for downpayment assistance for such residents, tenants, and families.

5. Describe the services that you will provide to families to assist them in undertaking and maintaining homeownership.
6. Describe a project work plan and timetable.
7. If any match will be generated, describe it, and how it will be documented.
8. Describe if any program income will be generated and how it will be used.
9. Additional Information that you think will be useful.
10. Attach a letter of consistency with your consolidated plan (**Bismarck & Grand Forks Only**)



**SECTION 7**  
**BUDGET PAGE**

<b>Activity Description</b>	<b>DCS Funds</b>	<b>Local Funds</b>	<b>Other Funds</b>	<b>Total Funds</b>
Homeowner Assistance				
Homebuyer Assistance				
Security Deposits				
Rental Production				
<b>Soft Costs</b>				
Processing/Counseling				
Inspections (initial & final)				
Work Write-ups				
Construction Oversight				
Filing Fees				
Other				
<b>Administration/Operating</b>				
Salaries				
Fringe				
Travel				
Supplies				
Third Party Contracts				
Other				
<b>TOTAL</b>				

**Specify all source of funding and include letters of commitment**